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IN THE
Supreme Court of the United States

OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE TENTH CIRCUIT

**BRIEF OF DIRECT MARKETING
ASSOCIATION, INC. AS AN AMICUS CURIAE
IN SUPPORT OF PETITIONER**

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On Writ of Certiorari to the United States Court of Appeals
for the Tenth Circuit

**BRIEF OF DIRECT MARKETING
ASSOCIATION, INC. AS AN AMICUS CURIAE
IN SUPPORT OF PETITIONER**

QUESTION PRESENTED

Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

INTEREST OF AMICUS CURIAE¹

Direct Marketing Association, Inc. ("DMA"), incorporated under the Not-For-Profit Corporation Law of the State of New York, is the largest and oldest trade association serving the vast

¹ Consent to file the within brief in support of petitioner was given by both parties and has been separately filed with the Clerk of the Court.

community in direct-to-the consumer advertising and marketing. Its members are firms engaged in or associated with marketing goods and services through direct response methods, which include, quite importantly, the use of direct marketing telephone and mailing lists.

DMA's membership numbers more than 3,000 firms located in 50 states and 44 foreign countries, the great majority of which would, in one way or another, be adversely affected by a decision of this Court which would restrict the availability of and access to information and data. DMA's objectives, as expressed in its constitution and by-laws, include providing information, education, representation and forums for the advancement of the use of direct marketing. It engages in positive efforts to communicate and explain the values of direct marketing to government agencies and other public bodies and fosters industry-consumer relationships in an attempt to improve the environment in which direct marketers operate.

DMA's long-term commitment to the free flow of information, especially commercial information, and its sensitivity to privacy as it applies to that flow, helps it serve an industry which is largely dependent upon its ability to communicate its messages to those who are most likely to be receptive to them.² Foreclosure from or increased difficulty in reaching the right people ultimately will sound the death knell of direct marketing as it is now known inasmuch as the unavailability of or reduction in information about potential consumers will frustrate the continual attempt to better target the marketplace.

It is important to recognize the many economic and social benefits of direct marketing. An ever increasing number of businesses, large and small, are turning to this form of marketing

² Because access to information and data is bedrock to direct marketers, DMA was invited to, and recently participated in, a series of meetings with the Director of Consumer Affairs and Special Adviser to the President which resulted in the development of a set of principles to insure the protection of consumer privacy when compiling, using and transferring information of a personal nature.

to sell products and services. It is an effective and efficient way to communicate information about available goods to targeted audiences. As a measure of its economic importance, and consumer acceptance, mail and telephone order consumer sales volume has expanded to billions of dollars annually.

The benefits to consumers are many. This increased activity has intensified competition, leading to broader consumer choices and sharper competitive pricing. Direct marketing provides consumers with more specific information on product characteristics, prices, colors and sizes than any other major advertising medium. For many consumers — particularly those who reside away from major metropolitan areas — shopping by mail or telephone provides special opportunities to seek a wider selection of products than would otherwise be available. Direct marketing provides maximum convenience because of the virtues of shopping at home. This benefit is of particular significance, for example, to the elderly as well as to the increasing number of families with both heads of household working.

Similar benefits are enjoyed by businesses in their capacity as purchasers. Business-to-business direct marketing allows suppliers of goods and services to firms to market their products economically and efficiently, and to reach more purchasers than ever before.

In addition to its benefits to consumers and commerce, direct marketing has proven to be an indispensable fundraising and communications medium for charitable causes and the political process. Direct marketing is simply selling things directly to consumers.

Within the increasingly expanding field of direct marketing, entire industry segments have evolved as a result of the development of database marketing, advanced technology, the transfer of marketing information and marketing list transactions. These segments include major corporations as well as small firms and sole proprietorships and are involved in every aspect of providing information services to users of direct marketing.

As a result, the marketplace is ever searching for new sources of information as well as for existing sources which provide the kind of information required by direct marketers to help them obtain and better service their customers. Information including demographics, geographics and purchasing habits, for example, are essential for the maintenance and improvement of direct marketers' ability to sell their goods and services.

Any restrictions on the access to information or data which enhance a marketer's ability to sell, embellish or update the information or data already maintained by a marketer, are detrimental to the overall cause of direct marketing. To allow only certain competitors access to such information, i.e., the marketing divisions of the regional telephone companies, while foreclosing others is highly destructive.³ It is submitted that not only will direct marketers lose by such selective access, but the public will lose as well.

DMA members represent every functional level of industry — manufacturing, wholesale and retail. As direct mail advertising and marketing techniques are used by each of them as an integral part of conducting their respective businesses, any decision by this Court that abridges or restricts their access to information and data must have a significant and direct impact on DMA's membership.

SUMMARY OF ARGUMENT

Section 101 of the Copyright Act defines what is copyrightable and therefore protectible with regard to a compilation. Merely to pay lip service to the well-established tenet that copyright protects the original selection, coordination or arrangement, but not the underlying facts, of a compilation, but then to insulate the copyright owner from competition with respect to those

³ The unregulated marketing arm of the telephone company receives the data for its own use, and typically at nominal cost, long before they appear in a published directory. Competitors do not gain access at all, or must wait until the data are published in a directory at which time substantial fees must be paid to the telephone company.

facts,⁴ would go far beyond the limited monopoly intended by the Framers.

To see to it that such a result does not occur, "substantial similarity" must remain the *sine qua non* of infringement under the circumstances presented by the question under review. Thus, a second comer's directory must simulate any original selection, coordination or arrangement of the copyright owner before infringement may be found. Anything less than that would protect the underlying facts of the compilation by finding infringement where the respective arrangements were dissimilar.

Employing a "sweat of the brow" test to reward a compiler ignores the statutory requirement of originality and deprives the public of otherwise public domain material and of the opportunity to enhance prior writings and discoveries. *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1980). Protection of facts would be arrogated to those who merely obtain or discover them and list them first.

It would be antithetical to the Copyright Clause of the Constitution to permit one who receives or discovers facts and compiles them in a directory to prevent others from access to those facts. The Copyright Clause is intended to provide an incentive for others to advance the state of the art, not to create an impediment for them. The purpose of the copyright grant is to induce authors to add to the pool of public knowledge, not to subtract from it. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 109 S. Ct. 971, 975 (1989); *Graham v. John Deere Company*, 383 U.S. 1, 5-6 (1966).⁵

⁴ This is particularly so where the copyright owner is a telephone company which gains access to the facts as a result of its monopoly status and competitors have no practical access to them other than from the telephone company's published directory.

⁵ Although *Graham* was decided in the context of the Patent Law, the authority for the grant of patents and copyrights derives from the same source. U.S. Constitution, Article I, Section 8, Clause 8. See *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 439 (1984) (where precedent in copyright cases is lacking, it is proper to look for guidance to the patent law because of the historic kinship between patent and copyright law).

Extension of the grant of copyright to a point which prevents others from accessing and using public domain facts also is an impingement on the freedom of expression. Every potential author is entitled to express his own views and create his own version of someone else's ideas or publicly available facts.

The question presented seeks a determination of whether the copyright in a telephone directory by the telephone company prevents access to that directory as a source of names, addresses and numbers to compile a competing directory. Petitioner as well as all other members of the public, including members of DMA, as a matter of law should be entitled to primary and initial access to respondent's telephone directory as a source of underlying facts.

It should be made plain that the underlying facts of a compilation, such as the names, addresses and telephone numbers of the white pages of a telephone directory, are not copyrightable and are free to be copied. 17 U.S.C. § 103(b) (1977); *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 572 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988). Because respondent's copyrighted telephone directory is merely a compilation of unprotectible facts, a finding of virtually identical copying of any original selection, coordination or arrangement should be required before infringement may be found. *Id.*

The Court has certified a single question for review which contains certain unique and critical operative facts. It is respectfully requested that the Court limit its decision to the question presented and make it clear that no precedent is being set and no inferences should be drawn with respect to circumstances which factually differ from those contained in the certified question. *Armour & Co. v. Wantock*, 323 U.S. 126, 132-33 (1944).

Specifically, it is requested that the Court emphasize the importance of the facts that: (a) the compilation under consideration is a telephone directory, (b) the copyright owner is a telephone company, and (c) the alleged infringer is a direct competitor of the copyright owner. The public nature of the work and its underlying facts, the government-sanctioned monopoly

position of the copyright owner and the directly competitive relationship of the alleged infringer to the copyright owner create a situation which is legally discrete. The unfair competitive advantage and the adverse economic impact on other direct marketers, including DMA's members, that will follow if telephone companies are allowed to receive and then maintain a monopoly over valuable public data is enormous.

Because telephone companies are now permitted to compete in the unregulated direct marketing arena, and already enjoy the competitive advantage of the substantial lead time between receiving information and publishing it, competitors depending on access to that information would be virtually eliminated if the answer to the question under review precluded access to a telephone directory as a primary source. However, regardless of the outcome with respect to that specific question, the Court should not deprive any member of the public free access to the underlying facts.

[F]acts do not owe their origin to any individual, they may not be copyrighted and are part of the public domain available to every person.

Miller v. Universal Studios, Inc., 650 F.2d at 1369. Under the somewhat unique circumstances presented, a delicate balance should be struck by the Court in order to maintain consistency and harmony among potentially conflicting portions of the U.S. Constitution and various sections of the Copyright Act, as well as to avoid adversely affecting those who do not come within the factual matrix presented.

ARGUMENT

I. A COMPILATION'S UNDERLYING FACTS ARE NOT COPYRIGHTABLE; ANYONE IS FREE TO COPY THEM WITHOUT INFRINGING ANY ORIGINAL SELECTION, COORDINATION OR ARRANGEMENT

The law of copyright, including the U.S. Constitution and the statute which implements the constitutional mandate, has consistently safeguarded the public's right to factual information compiled in a directory. The theory of that protection is found in the Copyright Clause of the Constitution itself, while the practical application of it has been developed through decisional law and the Copyright Act. Under those authorities the copyright owner of a directory cannot prevent or even inhibit another member of the public's access to factual material contained in his directory. Yet, that is precisely what would occur if the Court were to preclude others from employing telephone company white pages as a primary source of information.

A. *The Copyright Act Only Protects the Original Selection, Coordination or Arrangement of Compilations and Not the Underlying Facts Therein.*

Although there has been a split in the circuits regarding the justification for granting copyright protection to compilations of factual materials, circuits which adopt the "sweat of the brow" theory^a cannot be reconciled with general principles of copyright law.

^a The circuits which adopt that theory include the Seventh, (*Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (7th Cir. 1985), cert. denied, 474 U.S. 1061 (1986)), Eighth (*Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128 (8th Cir. 1985)) and Tenth (the case here under review). It should be noted, however, that the vitality of the "sweat of the brow" theory in the Seventh Circuit is questionable in view of the recent decision in *Nash v. CBS, Inc.*, 899 F.2d 1537 (7th Cir. 1990).

Those circuits which reject the "sweat of the brow" theory include the Second (*Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972 (2d Cir. 1980)), Fifth (*Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1981)), Ninth (*Worth v. Selchow & Righter Co.*, 827 F.2d 569 (9th Cir. 1987)), and Eleventh (*Southern Bell Tel. & Tel. v. Associated Tel. Dir.*, 756 F.2d 801 (11th Cir. 1985)).

Section 101 of the Copyright Act defines a compilation as follows:

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

17 U.S.C. § 101. A compilation requires a "process of selecting, bringing together, organizing, and rearranging previously existing materials of all kinds." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code and Cong. & Admin. News 5659, 5670.

Section 103(b) makes it clear that copyright protection in a compilation "does not imply any exclusive right in the preexisting material" contained in the work. 17 U.S.C. § 103(b). The legislative history states that Section 103(b) was intended to define more clearly that copyright in new material has no effect on the public domain status of preexisting material which it incorporates. H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5670. Hence, only original selection, coordination or arrangement can be the copyrightable element in a compilation, and the underlying facts, which are in the public domain, remain outside the scope of the copyright law.

A broad base of recent decisions has been particularly restrictive in the protection of factual works indicating, for example, a refusal to subscribe to decisions of the few circuits which hold that the fruits of original research are copyrightable. As the Eleventh Circuit correctly noted:

[A] telephone directory compilation whose components are comprised exclusively of information in the public domain can be protected by the copyright laws only as to the selection and arrangement of the compilation, the work as a whole, and not to the preexisting information.

Southern Bell Tel. & Tel. v. Associated Tel. Dir., 756 F.2d 801, 810 (11th Cir. 1985). In *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1368-70 (5th Cir. 1981), the Fifth Circuit held that research involved in obtaining facts is not copyrightable. Similarly, the Second Circuit has observed:

We . . . cannot subscribe to the view that an author is absolutely precluded from saving time and effort by referring to and relying upon prior published material It is just such wasted effort that the proscription against the copyright of ideas and facts, and to a lesser extent the privilege of fair use, are designed to prevent.

Rosemont Enters., Inc. v. Random House, Inc., 366 F.2d 303, 310 (2d Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967) (citations omitted); see *Eckes v. Card Prices Update*, 736 F.2d 859, 862 (2d Cir. 1984) ("sweat of a researcher's brow" does not merit copyright protection). The Ninth Circuit, declining to follow even its own earlier cases which protected fruits of original research, stated: "[T]o the extent that *Leon* suggests that research or labor is protectible, later cases have rejected that theory." *Worth v. Selchow & Righter Co.*, 827 F.2d at 573.

Because the facts contained in respondent's directory are not original with respondent, neither can the discovery or receipt of them be considered original. *Miller v. Universal City Studios, Inc.*, 650 F.2d at 1368-69. Absent originality, there can be no copyright protection. Accordingly, even if one in petitioner's position were to enlist those same facts, infringement should not be found where the only basis for doing so would be bottomed on unprotectible subject matter. See *Triangle Publications, Inc. v. Sports Eye, Inc.*, 415 F. Supp. 682, 686 (E.D. Pa. 1976). It is only the original selection, coordination or arrangement of those unprotectible facts that may form the basis of a finding of infringement.

B. Allowing a Monopoly Over Facts would be Inconsistent with the Well-Established Idea-Expression Dichotomy.

As a fundamental principle, copyright does not protect an author's "ideas" per se.

In no case does copyright protection for an original work of authorship extend to any idea, . . . concept, . . . or discovery, regardless of the form in which it is . . . embodied. . . .

17 U.S.C. § 102(b). If it did, there certainly would be a serious encroachment upon First Amendment values. The marketplace of ideas would be a barren one indeed if speakers and authors were limited to only those ideas which were original with them.

By analogy, if not subsumed within the same concept as "ideas", copyright does not protect facts. *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 547 (1985); *Mazer v. Stein*, 347 U.S. 201, 217, *reh'g denied*, 347 U.S. 949 (1954).

Factual works receive distinct treatment from fictional works under copyright law. Indeed, facts, like ideas, are never protected by copyright law.

Worth v. Selchow & Righter Co., 827 F.2d at 572; see *Konor Enters., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989) (facts contained in a telephone directory are not protected by copyright); *Cooling Sys. and Flexibles v. Stuart Radiator*, 777 F.2d 485, 491 (9th Cir. 1985) ("Copyright law never protects facts and ideas in a published work."); *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 309, *cert. denied*, 385 U.S. 1009 (1967) (recognizing that historical facts are in the public domain). What copyright does protect is "the expression of the idea" or, in the case of a compilation, any original selection, coordination or arrangement of the compiled facts. That is all.

It is an axiom of copyright law that the protection granted to a copyrightable work extends only to the particular expression of an idea and never to the idea itself. *Worth v. Selchow & Righter Co.*, 827 F.2d at 572; *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485, 488 (9th Cir.), *cert. denied*, 469 U.S. 1037 (1984); *Mihalek Corp. v. State of Mich.*, 814 F.2d 290, 294 (6th Cir. 1987), *modified*, 821 F.2d 327, *cert.*

denied, 484 U.S. 986 (1987); *Reyher v. Children's Television Workshop*, 533 F.2d 87, 90 (2d Cir. 1976), cert. denied, 429 U.S. 980 (1976); *Concrete Mach. Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d 600, 606 (1st Cir.), opinion after remand, aff'd, 867 F.2d 606 (1st Cir. 1988).

"Unlike a patent, a copyright gives no exclusive right to the art disclosed, protection is given only to the expression of the idea — not the idea itself." *Mazer v. Stein*, 347 U.S. 201, 217 (1954).

It is clear that the same is true of facts. *Miller v. Universal Studios, Inc.*, 650 F.2d at 1368; see *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 309. Simply put, facts cannot be original to an author. All are entitled to share in them and in their availability. For those who want to maintain some degree of dominion and control over the uncopyrightable fruits of their labor, protection via contract or trade secret is available. The law of copyright is not available for that purpose.

A subsequent author's taking of information and ideas is in no sense piratical because copyright law simply does not create any property interest in information and ideas.

Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. at 589.

As previously cited, the Copyright Act codifies the idea-expression dichotomy. 17 U.S.C. § 102(b). Thus, if the only similarity between two works is that of unprotectible facts or abstract ideas, there is an absence of substantial similarity and hence no infringement. *Atari, Inc. v. North Am. Philips Consumer Elecs. Corp.*, 672 F.2d 607, 615 (7th Cir.), cert. denied, 459 U.S. 880 (1982); 3 *Nimmer on Copyright* 13.03[A][1].

The reason for the distinction between ideas and an author's original expression of them is important. The idea-expression dichotomy attempts to reconcile two competing societal interests: rewarding an individual's creativity and effort while at the same

time permitting the nation to enjoy the benefits and progress from use of the same subject matter. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). It would go much beyond the scope of protection accorded copyrighted works, however, to prevent one in petitioner's position from distributing its own version of a directory which employs common facts but which does not simulate any original selection, coordination or arrangement of another's work. To the extent that respondent attempts to do so, its efforts attempt improperly to merge the distinction between ideas or facts, and their expression. There is no greater similarity between the directory of respondent and that of petitioner than is inevitable from the use of the same underlying and unprotected data.

When the "idea" and its "expression" are inseparable, copying the "expression" will not be barred, since protecting the "expression" in such circumstances would confirm a monopoly of the "idea" upon the copyright owner free of the conditions and limitations imposed by the patent laws. *Johnson Controls v. Phoenix Control Sys.*, 886 F.2d 1173, 1175 (9th Cir. 1989); *Concrete Mach. Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d at 606; *Herbert Rosenthal Jewelry Corp. v. Kalpakian*, 446 F.2d 738, 742 (9th Cir. 1971) (denying protection for copyrighted jeweled bee pins).

Accordingly, there is no bar to the copying of a work's idea. To constitute infringement there must be an unlawful misappropriation of the legally protected expression of the idea. 17 U.S.C. § 102(b); *Mazer v. Stein*, 347 U.S. 201, 217-18 (1954).

To the extent petitioner and respondent use the same underlying information (names, addresses and numbers), they may both employ the basic and well-established alphabetical arrangement.

Obviously an alphabetical list is not a protectible form of arranging proper names.

Cooling Sys. and Flexibles, Inc. v. Stuart Radiator, Inc., 777 F.2d at 492.

C. *The Copyright Clause of the Constitution Creates the Philosophical Basis for Determining Copyright Protection and Infringement.*

Article I, Section 8, Clause 8 of the U.S. Constitution provides that Congress shall have power:

to Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

The *quid pro quo* of the Clause is an author's enjoyment of a limited monopoly in return for disclosure and public access to the genius of creators and originators. The primary purpose, however, is to increase the public's reservoir of intellectual knowledge, not to decrease it by removal of information from public access. By encouraging original work product, and its disclosure to the public, the law of copyright promotes general public benefits by inspiring others to create, embellish and enhance that which preceded them. It is inspiration, not inhibition, and the corresponding reward to authors, which remain the primary purposes of copyright. Impeding the ability of the public to access unprotected information, however slightly, violates the constitutional mandate.

[It] is a strong policy permitting all to use freely the ideas contained in a copyrighted work so long as copyrighted expression is not appropriated.

Landsberg v. Scrabble Crossword Game Players, Inc., 736 F.2d at 488; *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 310.

Therefore, if by application of an erroneous standard of infringement a copyright owner is permitted to monopolize facts which would thereby deprive others from adding to the free flow of information and to the public's available resources in the arts and sciences, the letter as well as the spirit of the law of copyright would be violated. Absent a benefit derived by the public from

the talent of authors, there is no justification to the grant of a copyright monopoly.

Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.

Bonito Boat, Inc. v. Thunder Craft Boats, Inc., 109 S. Ct. 971, 975 (1989) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966)). See footnote 5, *supra*, for the relationship of patents and copyrights.

D. *The Copyright Act Would Run Afoul of the First Amendment if it Provided for the Grant of a Monopoly Over Facts.*

Although the potential conflict between the Copyright Clause and the First Amendment seems to have been kept in check by the judiciary, a decision herein allowing the monopolization of facts or public data would re-spark that conflict, which, it is submitted, would have to be resolved in favor of the First Amendment. Indeed, such a decision would create a conflict within the Copyright Act itself in view of Section 102(b) which allows for protection via copyright of one's expression, but not of one's ideas. There is no substantive difference between the protection of ideas and the protection of facts under the law of copyright. *Worth v. Selchow & Righter Co.*, 827 F.2d at 572; see 17 U.S.C. § 102(b) (expressly excluding discoveries from the scope of copyright protection).

The need to resolve any such conflict may not exist in that, depending upon interpretation, copyright and freedom of expression may peacefully coexist. *Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184, 1187 (5th Cir. 1979). Nonetheless, if the Copyright Act were to be interpreted as allowing a monopoly over facts, serious, if not unanswerable, First Amendment questions would be raised.

Once a restraint is placed on the use of an idea or a fact, it does not appear that it may be justified or parse under the tests of the First Amendment. *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 560 (1985); *Lee v. Runge*, 404 U.S. 887, 892-93 (1971) (Douglas, J., dissenting).

Whereas the foundation of copyright is bottomed on the contribution made by the original work of an author, a monopoly over facts which cannot be original regardless of the source from which they are derived, would result in diminution not contribution. It is legally deficient, therefore, to argue that the facts are available elsewhere. The mere deprivation of access to them in respondent's telephone directory, regardless of how brief or inexpensive it may be to overcome, which is not the case, is tantamount to granting some degree of power in those facts to the copyright owner, a grant that is unauthorized and inconsistent with First Amendment rights.

In the copyright — First Amendment confrontation, ideas and facts fall on the free speech side of the line, while the original selection, coordination or arrangement of facts fall on the copyright side of the line. It is clear, however, that if writers and other creators could not build upon facts, not only would free speech be stifled, but the creative processes themselves — the copyright side of the balance — would be severely circumscribed.

One of the most important objectives that underlies freedom of speech is exposure to facts and ideas, not to their particular expression, but to their mere existence. It is important that the public has free access to them. Nothing in the Copyright Act precludes such access; much by way of policy encourages it. Accordingly, copyright may be claimed only in the "expression" of the created work, and not in its "idea" or factual underpinnings. The idea-expression dichotomy, long recognized by the courts, and which is strongly based on First Amendment principles, is now an express part of the Copyright Act. 17 U.S.C. § 102(b).

E. *Infringement of a Telephone Directory Requires Nearly Identical Copying of any Original Selection, Coordination or Arrangement.*

A copyright protects against infringement only of copyrightable subject matter. It does not protect against access to a copyrighted work which is then used as a point of reference, from which a subsequent and non-infringing work may be generated. *Southern Bell Tel. & Tel. v. Associated Tel. Dir.*, 756 F.2d 801, 810 (11th Cir. 1985); *Miller v. Universal City Studios, Inc.*, 650 F.2d at 1370. Copying facts alone does not constitute infringement.

[M]ere use of the information contained in a directory without a substantial copying of the format does not constitute infringement.

Id. (citations omitted).

Because a compilation in the form of a telephone directory contains purely factual information, anyone is free to use that information. Therefore, any definition of infringement requiring less than virtually identical copying of any original selection, coordination or arrangement of the copyright owner,⁷ or which fails to recognize the unfettered right to copy and use the underlying facts, would result in a monopoly to some extent over those facts. *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d at 488.

Subsequent authors wishing to express the ideas contained in a factual work often can choose from only a narrow range of expression . . . Therefore, similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed.

⁷ DMA does not concede any originality in the compilation of the white pages of a telephone directory, but merely points out the distinction between matter that *potentially* is copyrightable, and that which is not.

Id.; *Worth v. Selchow & Righter Co.*, 827 F.2d at 573 (use of factual content in plaintiff's book does not constitute infringement); *Cooling Sys. and Flexibles v. Stuart Radiator*, 777 F.2d 485, 491 (9th Cir. 1985) (verbatim reproduction or very close paraphrasing may be necessary before a factual work will be deemed infringed). Inasmuch as it is uniformly interpreted statutory law that a compilation neither limits nor expands the scope of protection over the underlying matter which is compiled (*see* 17 U.S.C. § 103(b)), to prevent a second comer from using underlying facts, which use does not reproduce any originality of the copyright owner in their selection, coordination or arrangement, would create a legal impediment to access to those facts and a proprietary interest in the copyright owner which he does not deserve. *Financial Information, Inc. v. Moody's Investors Serv., Inc.*, 808 F.2d 204, 207 (2d Cir. 1986), *cert. denied*, 484 U.S. 820 (1987).

Only a near literal lifting of any original selection, coordination or arrangement of a copyrighted telephone directory, but not of the underlying facts contained in it, may be protected if the Copyright Clause, the First Amendment, sections of the Copyright Act and decisional law are to remain consistent, not only with each other, but also in maintaining their effect as a reward to authors, an incentive to others, and a guardian of the public.

II. THE DECISION IN THIS CASE SHOULD BE LIMITED TO ITS FACTS

As this Court frequently has admonished those who interpret and rely on its decisions, one must of necessity analyze and appreciate the factual context out of which a case arises before one may attempt to apply the legal conclusions and precepts to other situations.

It is timely again to remind counsel that words of our opinions are to be read in the light of the facts of the case under discussion. To keep opinions within reasonable bounds precludes writing into them every limitation or variation which might be suggested by the circumstances of cases not before the Court. General expressions transposed to other facts are often misleading.

Armour & Co. v. Wantock, 323 U.S. 126, 132-33 (1944).

It bears repetition that the copyright owner in the case under review is a telephone company with corresponding monopoly status as a matter of law. Thus, the data which are listed in the subject telephone directory are available to the copyright owner only as a result of its public utility status and the need for members of the consuming public to participate in the national telecommunications system which has become such an integral part of everyone's life. The Court should not enlarge that monopoly status into other areas (*e.g.*, marketing) through an expansive view of the Copyright Act, and should treat a telephone company, by analogy, only slightly more favorably than a federal governmental body, 17 U.S.C. § 105 (copyright protection not available to U.S. Government), by reading the Copyright Act literally and narrowly, 17 U.S.C. § 103(b) (copyright in a compilation is independent of preexisting material). The need to restrict the government-sanctioned monopoly of one in respondent's position is heightened by the recent divestiture of AT&T which allows telephone companies to enter the already highly competitive direct marketing arena.

It must be emphasized that the work in issue is merely a compilation of the data which are provided to the public utility automatically by its subscribers except for those who choose to pay to have the data withheld from publication. Virtually every household has a telephone in its own name. Thus, unlike traditional customer lists and corresponding information, which are developed by merchants through solicitation and fulfillment of their goods and services, a telephone company's list of subscribers is mechanical and virtually automatic.

There is no "significant subjective judgment" in selecting names for a telephone directory; it entails only a determination of telephone subscribership. *New York Times Co. v. Roxbury Data Interface, Inc.*, 434 F. Supp. 217, 222 n.2 (D.N.J. 1977) ("the compilation of a telephone directory requires the compiler only to ascertain the fact of telephone subscribership; the compiler is not required to make any significant subjective judgment"). Subscribers merely become part of the system.

It also should not escape the Court's analysis that the alleged copyright infringer is a direct competitor of the copyright owner. Therefore, the situation is unlike one who might use a telephone directory as a source of data or information for a purpose other than to publish his own directory, such as a direct marketer who wants to communicate his message, with the corresponding analysis for infringement requiring consideration not only of substantial similarity, which is not likely to occur due to different usage, but also of any injury to the copyright owner's market, which is not likely to be present, due to the non-competitive nature of the use.

The copyright laws serve as the "engine of free expression" . . . only when the statutory monopoly does not choke off multifarious indirect uses and consequent broad dissemination of information and ideas. To ensure the progress of arts and sciences and the integrity of First Amendment values, ideas and information must not be freighted with claims of proprietary right.

Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. at 589-90 (Brennan, J., dissenting).

It is estimated that there are literally tens of thousands of firms, including the telephone companies themselves, employing tens of thousands of people, if not more, that depend on the development of data and information for marketing purposes as the very lifeblood of their business. The parties to list transactions and to information exchanges bear little or no resemblance to the competing telephone directory purveyors who now appear before the Court. Yet, a decision that is not narrowly tailored to the specific underlying facts would have far-reaching implications to direct marketers.

Companies engaged in virtually every industry employ direct marketing as an integral part of their business. The nation's leading magazines and industrial giants, including banks, package goods companies, automobile companies and financial services, as examples, as well as the most popular catalogs, religious and charitable organizations, book and record clubs, and political parties are all direct marketers. Many of them are members of DMA. Each of them, in addition to developing internal information on their own customers, depends heavily on additional information from outside sources which enable them to determine which potential customers are more likely to be responsive to their particular solicitations.

Critically impacted would be the segment of the direct marketing industry which includes research organizations, private compilers of data and database marketers who make their information available to direct marketing merchants. Unlike the merchants themselves, those firms specialize and earn their livings from the creation, compilation, transfer and use of information and marketing data.

The factual data available to a telephone company are not available to others, and certainly not in a timely or economic fashion. Whereas a telephone company receives data on a nearly real-time basis, others, if deprived of initial access to a telephone directory, would have to seek the same data indirectly, and from a multitude of sources, if they exist, before it could synthesize the

results of its fragmented efforts. Even then, the need for timely information would not be satisfied inasmuch as "sources" other than a telephone directory (there really are no others) would produce data that are stale when contrasted to a telephone directory. Additionally, the telephone company benefits by others' use of the listed information inasmuch as it functions as the telephone service provider, to the extent the caller is local.

The U.S. Postal Service, try as it may, has not achieved the timeliness and accuracy of the telephone companies' white pages. It too would benefit by seeing to it that the underlying data in the white pages of telephone directories remain available.⁸

Thus, the nature of the data compiled in a telephone directory, the legal status of a public utility copyright owner and the competitive versus non-competitive uses to which the data may be put militate in favor of addressing the question under review in a very specific and restrictive fashion and seeing to it that direct marketers are not unnecessarily adversely affected.

⁸ Public policy warrants addressing the question under review as unique. The U.S. Postal Service has a compelling need for accurate addresses — it must deliver the mail. Indeed, a recent program undertaken by the Postal Service at great expense, known as National Change of Address ("NCOA"), provides the direct mail marketing industry with a means for improving the accuracy of addresses, and therefore the deliverability of the U.S. mails. NCOA requires, however, that the mailer provide the Postal Service with its own list, and will not provide the mailer with names and addresses in the first instance. Telephone numbers are not available at all. It must be noted, however, that NCOA names and addresses do not reflect changes in nearly as timely a fashion as changes submitted to telephone companies by their subscribers.

CONCLUSION

For the foregoing reasons, the question presented for review should be answered so that copyright protection in a telephone directory by the telephone company extends only to any original selection, coordination, or arrangement of the listed names, addresses and numbers, and does not prevent access to that directory as a source. The question also should be answered in a manner that limits the Court's decision to the specific facts before it.

Respectfully submitted,

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